

Dehns Retirement Benefits Scheme

Statement of Investment Principles – November 2025

1. Introduction

The Trustees of the Dehns Retirement Benefits Scheme (“the Scheme”) have drawn up this Statement of Investment Principles (“the Statement”) to comply with the requirements of Section 35 of the Pensions Act 1995 (“the Act”), and subsequent legislation. The Statement is intended to affirm the investment principles that govern decisions about the Scheme’s investments.

In preparing this Statement, the Trustees have consulted with the sponsoring employer and obtained written advice from Mercer Limited (“Mercer”), who the Trustees reasonably believe to be qualified by their ability in and practical experience of financial matters and to have the appropriate knowledge and experience of the management of pension scheme investments. Where matters described in this Statement may affect the Scheme’s funding policy, input has also been obtained from the Scheme Actuary.

The Statement is subject to review by the Trustee at least once every three years, and in particular following formal actuarial valuations and investment strategy reviews.

2. Scheme Governance

Investment decisions are made collectively by the whole Trustee Board.

The Investment Manager is responsible for day-to-day management of the Scheme’s assets in accordance with guidelines agreed with the Trustees. The Investment Manager has discretion to buy, sell or retain individual securities in accordance with these guidelines.

The Scheme Actuary performs a valuation of the Scheme at least every three years, in accordance with regulatory requirements. The main purpose of the actuarial valuation is to assess the extent to which the assets cover the accrued liabilities and agree an appropriate funding strategy for the Scheme.

The Trustees consider that the governance structure that they employ is appropriate for the Scheme, as it allows the Trustees to make the important decisions on investment policy, while delegating the day-to-day aspects to the manager or other advisers as considered appropriate.

3. Investment Objectives

The Trustees’ overriding objective is to invest the Scheme’s assets in the best interest of the members and other stakeholders and, in the case of a potential conflict of interest, in the sole interest of the members. Within this framework, the Trustees’ primary aim is to ensure all benefits, as defined in the Scheme Rules, in respect of Scheme members and their beneficiaries, are paid when they fall due.

The Trustees' investment policy is guided by an overall objective of achieving, over the long term, a return on the investments which is consistent with the long term assumptions made by the Actuary in determining the funding of the Scheme. Over the shorter term the objective is to achieve returns in line with the investment managers' fund benchmarks.

The Trustees believe that the investment strategy adopted for achieving this objective will also be appropriate for achieving the further objectives of paying due regard to the interests of the sponsoring employer on the size and incidence of contribution payments.

4. Risk Measurement and Management

The Trustees recognise that it is necessary to take some degree of investment risk to meet the objectives outlined in Section 3.

In formulating the investment objective the Trustees believe the following risks to be financially material over the lifetime of the Scheme:

- The risk of a deterioration in the Scheme's ongoing funding level;
- The risk of that change in financial conditions can lead to a substantial shortfall of assets relative to the liabilities;
- The risk of the appointed manager underperforming its objectives, fails to carry out operational tasks, does not ensure safe-keeping of assets or breaches agreed guidelines;
- The risk of an adverse influence on investment values from the poor performance of underlying investments and/or lack of diversification leading to an underperformance relative to the funding objective;
- The risk that the day-to-day management of the assets will not achieve the rate of investment return within each asset class expected by the Trustees;
- The risk that the Scheme's assets cannot be realised at short notice in line with member demand;
- The risk that the sponsoring employer is no longer able and/or willing to support the Scheme;
- The risk that climate change may impact the value of investments, due to its effect on natural and human systems, across geographical regions. However, due to the inherent uncertainty, the Trustees have not made explicit allowance for it when determining the investment strategy.

The Trustee regularly monitors the investment risks the Scheme is exposed to. There are clear strategic risk and return objectives for each investment mandate. The performance of individual investment mandates and the aggregate portfolio is assessed relative to these objectives on a regular basis. As appropriate, the Trustee will take action to ensure that the individual investment mandates and aggregate portfolio remain appropriate given the Scheme's overall objectives.

In addition to targeting an appropriate overall level of investment risk, the Trustees seek to spread risks across a range of different sources. The Trustees believe that diversification limits the impact of any single risk.

The Trustees expect the chosen investment manager to monitor and control other investment risks, within the mandate for the funds offered by them, e.g. credit risk within a bond portfolio, currency risk etc. The Trustees also expect them to ensure that suitable internal operating procedures are in place to control individuals making investments for the funds.

The Trustees believe that the arrangements adopted represent a satisfactory trade-off between target return (net of all costs) and investment risk after taking into account the resources available to implement and monitor the arrangements.

In addition, the Trustees are required to provide narrative disclosures in their Annual Report and Accounts on the credit and market risks arising from the investment arrangements of the Scheme. These risks are defined as follows:

- Credit risk: this is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.
- Market risk: this is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk, each of which is further detailed as follows:
 - *Currency risk*: this is the risk that the fair value or future cash flows of a financial asset will fluctuate because of changes in foreign exchange rates.
 - *Interest rate risk*: this is the risk that the fair value or future cash flows of a financial asset will fluctuate because of changes in market interest rates.
 - *Other price risk*: this is the risk that the fair value or future cash flows of a financial asset will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

5. Investment Strategy

The Trustees consider that the selection of asset classes has the greatest effect in meeting the investment objectives and therefore the focus of their attention is on this before they consider other aspects.

Following an improvement in the Scheme's funding position over 2022 as a result of a notable increase in gilt yields the Trustees carried out an investment strategy review in March 2023. In order to set the Scheme's investment strategy in line with the investment and funding objectives, the Trustees considered the long-term

expected performance of a range of asset classes available with the incumbent investment manager (“Scottish Widows”).

Following notification around the closure of the funds on the Scottish Widows platform, the Trustees agreed to disinvest from all assets held on the Scottish Widows platform, and transition to a portfolio managed by Legal & General Investment Management (“LGIM”). The transition was completed in April 2025.

The Trustees reviewed the funding position and investment strategy in May 2025 and following continued improvement since last strategy review agreed to disinvest all the growth assets held with Legal & General Investment Management (“LGIM”), and transition to a portfolio which aligns closely to the liabilities of the Scheme, utilising the funds currently held with LGIM.

The asset allocation agreed by the Trustees is summarised in the table below:

The Trustees believe that the investment risk relative to the Scheme’s liabilities arising from the investment strategy are consistent with the overall level of risk being targeted. The Trustees’ policy is to select, retain and realise assets consistent with maintaining the overall investment strategy.

| Asset Class | Asset Allocation |
|------------------------|-------------------------|
| UK Bonds and Liquidity | 100% |
| Total | 100% |

The Trustees monitor the Scheme’s overall asset allocation and liability hedging levels regularly and make decisions accordingly to ensure that the actual Scheme allocation is appropriate.

6. Management of assets

Day to day management of the assets

The Trustees delegate the day-to-day management of the assets to the investment manager. The Trustees have taken steps to satisfy themselves that the manager has the appropriate knowledge and experience for managing the Scheme’s investments and that they are carrying out their work competently.

The Trustees review the continuing suitability of the Scheme’s investments as well as the appointed manager. Any adjustments will be done with the aim of ensuring the overall level of risk and return is consistent with that being targeted.

Managers are appointed based on their capabilities and, therefore, their perceived likelihood of achieving the expected return and risk characteristics required for the asset class being selected for.

As the Trustees invest in pooled investment vehicles they accept that they have no ability to specify the risk profile and return targets of the manager, but appropriate mandates can be selected to align with the overall investment strategy.

Investment Restrictions

The Trustee has not set any investment restrictions on the appointed Manager in relation to particular products or activities, but may consider this in future.

Realisation of Investments

The Trustee regularly assesses the liquidity profile of the assets to ensure that the overall position is appropriate for the Scheme's needs.

Monitoring the Investment Manager

Performance is sourced from the underlying manager and valuations reports are available when required by the Trustees. As required, the Trustees will liaise with the investment adviser to discuss the underlying investment manager performance, activity and strategy.

7. Responsible Investment and Corporate Governance

Financially material considerations and Stewardship

The Trustees believe that good stewardship and environmental, social and governance ("ESG") issues may have a material impact on investment risk and returns. The Trustees also recognise that long-term sustainability issues, particularly, but not limited to, climate change, present risks and opportunities that increasingly may require explicit consideration.

The Trustees have given the manager full discretion when evaluating ESG issues and in exercising voting rights (where applicable) and stewardship obligations attached to the Scheme's investments. This includes engagement with issuers of debt and other relevant persons about relevant matters such as performance, strategy, capital structure, management of actual or potential conflicts of interest and risks, in accordance with their own corporate governance policies, and taking account of current best practice including the UK Corporate Governance Code and the UK Stewardship Code.

The Trustees do not monitor or engage directly with issuers or other holders of debt. It expects the manager to exercise ownership rights and undertake monitoring and engagement in line with the manager's general policies on stewardship, as provided to the Trustees from time to time, considering the long-term financial interests of the beneficiaries.

Managers will be expected to report on their own ESG policies and voting activity (as relevant) as and when requested by the Trustee.

8. Non-Financial Matters

The Trustees do not take into account any non-financial matters (i.e. matters relating to the ethical and other views of members and beneficiaries, rather than considerations of financial risk and return) in the selection, retention and realisation of investments.

9. Investment Manager Appointment, Engagement and Monitoring

Aligning Manager Appointments with Investment Strategy

The managers are appointed by the Trustees based on their capabilities and, therefore, their perceived likelihood of achieving the expected return and desired risk characteristics.

If the investment objective for a particular manager's fund changes, the Trustees will review the fund appointment to ensure that it remains appropriate and consistent with the wider Trustee's investment objectives.

The Scheme's investments are all made through pooled investment vehicles. The Trustees accept that it has no ability to specify the risk profile and return targets of the manager. Such issues are taken into consideration when selecting and monitoring the manager to align with the overall investment strategy requirements.

Incentivising Managers to Consider Long-Term Financial and Non-financial Performance

The Trustees can challenge decisions made from the underlying manager including voting history (where applicable) and engagement activity to ensure the best performance over the medium to long term.

The manager is aware that their continued appointment is based on their success in delivering the mandate for which they have been appointed. If the Trustees are dissatisfied, then they will consider replacing the manager.

Evaluating Investment Manager Performance and Remuneration

Performance is sourced from the underlying manager and valuations reports are available when required by the Trustees.

The Trustees' focus is primarily on long-term performance but, as noted above, may review a manager's appointment if:

- There are sustained periods of underperformance;
- There is a change in the portfolio manager or portfolio management team;
- There is a change in the underlying objectives of the investment manager.

The manager is remunerated by way of a fee calculated as a percentage of assets under management.

If managers are not meeting performance objectives, or investment objectives for mandates have changed, the Trustees may ask the investment advisor or investment manager to review the Annual Management Charge or decide to switch managers.

Portfolio Turnover Costs

The Trustees do not currently monitor portfolio turnover costs.

The Trustees will continue to monitor industry improvements concerning the reporting of portfolio turnover costs. In future, the Trustees may ask managers to report on portfolio turnover cost. They may assess this by comparing portfolio turnover across the same asset class, on a year-on-year basis for the same manager fund, or relative to the manager's specific portfolio turnover range in the investment guidelines or prospectus.

Manager Turnover

The Trustees are long-term investors and are not looking to change the investment arrangements on a frequent basis.

For open-ended funds (which all of the Scheme's assets are invested in), there is no set duration for the manager appointments. The Trustees will therefore retain an investment manager unless:

- There is a strategic change to the overall strategy that no longer requires exposure to that asset class or manager;
- The manager appointed has been reviewed and the Trustees have decided to terminate the mandate.

10. Compliance With And Review Of This Statement

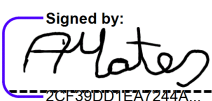
The Trustees will monitor compliance with this Statement.

On a regular basis, the Trustees will review this Statement in response to any material changes to any aspects of the Scheme, its liabilities, finances and the attitude to risk of the Trustees and the sponsoring employer, which it judges to have a bearing on the stated Investment Policy.

For and on behalf of the Trustees of the Dehns Retirement Benefits Scheme

Adam Yates

Trustee

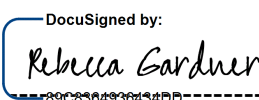
Signed by:


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Date 20 November 2025

Rebecca Gardner

Trustee

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Date 20 November 2025